DOCUMENT RESUME

ED 034 164 AC 006 157

AUTHOR Sethi, Manmohan Singh

TITLE Management Training Program in a Discount Store.

INSTITUTION Atlanta Univ., Ga.

PUB DATE Aug 68

NOTE 53p.; M.B.A. Thesis

EDRS PRICE EDRS Price MF-\$0.25 HC-\$2.75

DESCRIPTORS Business Administration, Chief Administrators,

Decision Making, Investigations, *Management Development, Masters Theses, *On the Job Training,

Participant Satisfaction, Perception, *Program

Evaluation, *Retailing, Trainees, Training Objectives

ABSTRACT

This study inquired into the objectives of management training programs in two chains of discount stores, and whether those who complete training believe that program objectives have been met. Questionnaire interviews were held with two managers and four trainees from one chain, and with two managers and two trainees from the other. Ten hypotheses concerning the acceptance and the realization of certain objectives were tested. These were among the conclusions reached: (1) although, as indicated by managers, training programs stressed the need for a broad view of the company and better understanding of human relations and interaction, trainees felt that such objectives were not being realized, at least initially; (2) managers and trainees need a closer interrelationship to achieve overall program objectives; (3) as far as the managers are concerned, the programs have met most of their objectives; (4) programs have given trainees a knowledge of organizational functions, helped them toward better decision making, apparently have given them self-confidence for advancing to positions of increased responsibility, and seemingly have enabled trainees to adapt their thinking to new environmental situations. (1y)

MANAGEMENT TRAINING PROGRAM IN A DISCOUNT STORE

Manmohan Singh Sethi

ACW6157

ERIC

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

MANAGEMENT TRAINING PROGRAM IN A DISCOUNT STORE

A THESIS .

SUBMITTED TO THE FACULTY OF ATLANTA UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR

THE DEGREE OF

MASTER OF BUSINESS ADMINISTRATION

BY

MANMOHAN SINGH SETHI

SCHOOL OF BUSINESS ADMINISTRATION

ATLANTA, GEORGIA

AUGUST 1968

AC 606 15



ACKNOWLEDGEMENTS

I am highly indebted to Dr. Benjamin M. Trooboff for his inspiration and guidance in the execution of this study. His suggestions and criticism were invaluable. I also wish to acknowledge my indebtedness to Dr. Harding B. Young, Dean, School of Business Administration and other faculty members of Atlanta University, whose intellectual contributions went a long way to make this study possible and my graduate work at Atlanta University highly profitable. A special word of thanks and appreciation is hereby acknowledged to Dr. K. K. Das, who served as an invaluable guide.

I also wish to acknowledge my indebtedness to the personnel of Kresge (K-Mart) and Zayre, for their valuable time and significant contributions to this study.

Finally, I wish to acknowledge my deep feelings of gratitude and regard for my parents, brother, sister-in-law, brothers-in-law and sisters, who have inspired me at all times.

M.S.S.

August, 1968

ERIC

TABLE OF CONTENTS

		Page
PREFACE	• • • • • • • • • • • • • • • • • • • •	ii
Chapter I.	INTRODUCTION	1
	Statement of the Problem Objectives of the Study Scope and Limitations Significance of the Study Definitions Used Method of Presentation	
II.	GENERAL VIEW OF MANAGEMENT AND TRAINING FOR MANAGEMENT	15
	Training for Management	40
III.	METHODOLOGY AND FINDINGS	23
IV.	CONCLUSIONS AND RECOMMENDATIONS	45
BI BLI OGR	APHY	719

CHAPTER I

INTRODUCTION

Statement of the Problem

managers do; by itself, the enterprise has no effective existence. "I Any business enterprise, no matter what its legal structure, must have a management in order to be alive and functioning. Thus it appears that management is the crux of an organization, a wheel on which the whole organization revolves -- an organ of spectacular rise in recent times.

The most conspicuous change in business structure is the tremenous increase in the size of plants and corporation, from the compact, family size companies of the late 1800's to the present day corporate giants. With the expansion of physical plants has come a corresponding complexity in the organizations. Departments have tended to grow, functions have come to be more rigorously defined, and there is greater specialization of talent and labor.

At the same time there have arisen more personnel problems.

"The climate of line-staff relationships in industry does not often



lpeter F. Drucker, The Practise of Management (New York: Harper and Brothers, 1954, p.7.

²Earl G. Planty, William S. McCord and Carlos A. Efferson, Training Employees and Managers (New York: Ronald Press Co., 1948), p.3.

reflect the quality of mutual confidence," says Douglas MacGregor. 1 The staff frequently has a jaundiced view of the management; it perceives managers as exclusively concerned with maintaining their authority and independence, lacking an appreciation of the professional qualifications and accomplishments of staff groups and basically resistant to change and improvement. There is to be found in the modern organization more inter-group conflict and greater personality conflicts than ever before and a rise in the strength of the union has also contributed to the complexity of the manager's role. Knickerbocker has said that leadership is conceived of as a dynamic functional relationship between leader and led in which the leader is attempting to satisfy the varied needs of his particular followers.2 Even a staunch manager has to realize that too much reliance on authority produces counter forces among subordinates. personnel problems may arise from employee dissatisfaction with the One of these could be the employee's dissatisworking situations. faction with the very nature of his job.

Competition in modern enterprise has become more severe.

Today the American market is characterized by abundance. There is
a buyer's market and not a seller's market. When a buyer is confronted
with substitutes, he tends to become more discriminating and discretionary. He tends to weigh every product in terms of quality and price.

¹ See Paul Lawrence and John Seiler, Organizational Behavior and Administration (Homewood, Ill.: Richard D. Irwin, Inc., 1965), p.762.

²Schuyler Dean Hoslett, Human Factors in Management (New York: Harper and Brothers, 1951), p.1.

This has led to severe price competition among the sellers. All of this has led to a squeeze in profits. Costs have to be controlled. The factors of procedure costs may include various elements. They may contain the salary range and average salary for each job classification, as well as supervisory salaries. Depreciation and maintenance charges on owned equipment, rental charges on leased equipment, supplies expenses may also be included. Waste must be controlled. The economy in which the organization functions is so unpredictable that operations have to be planned. This may be vital to companies dealing in seasonal products. At the same time operations may have to be planned either to increase profits or to make sure enough profits are being earned on the total assets utilized.

The above factors demand an efficient management which seeks solutions to the stated problems. "The application of organized, intelligent, and continuing research to business procedures offers an almost unparalleled opportunity to improve the effectiveness of the modern business organization." The huge operations of today's business has made management a specialized function.

So vital is management in the present day business in the United States, that it has led to specialized training for management.

Training in commerce and industry is a specialized and very practical form of education.² Basically, training is supposed to prepare people

Richard F. Neuschel, Management by System (New York: McGraw Hill Book Company, 1960), p.11.

²Planty, McCord and Efferson, op.cit., p.3.

to do their job well. Training deals with the systematic development of trainees in knowledge, skills and attitudes. 1 Growth of the trainees in each of these three areas is the objective of a wellrounded and sound educational program. Knowledge can be developed in the areas of company products, company policies and their problems. Plans, competition and principles of management are also included. Skills must be developed in the areas of job organization, cooperative development of policy, as well as administrative skills in the field of planning, organizing, controlling. Attitude development, which also seems to be important, may be concerned with the areas of approciation of company policies and procedures, sympathy with the company's problems and a feeling of participation in management. need, therefore, is believed to be the preparation of people to function well, willingly, and with understanding within the framework of their work situation. Most management training and development programs thus are aimed at improving management efficiency.2

Managers and executives need to be trained at all levels and in all branches of the operations for two reasons. The first is to help them perform better the work they will be doing and the second is to prepare some of them for other and perhaps more responsible positions. Training was once used only for skilled tradesmen and

l_Ibid., p.20.

²Dale S. Beach, The Management of People at Work (New York: The Macmillan Co., 1965), p.315.

³ Farl G. Planty and Thomas Freeston, Developing Management Ability (New York: The Ronald Press Co., 1954), p.7.

machine operators. Today's managers, who have learned to recognize their own deficiencies, face them frankly, and seek help in correcting them, also need to be trained.

The present-day interest in management training and development is due to the following major contributions that are beneficial to the organization:

- l. Improved performance on the present job.² Trainees are helped to increase their efficiency by teaching them new techniques. This ultimately tends to increase their worth and dignity in the organization.
- 2. Attitude formation. 3 To mould the manager's attitude with the aim of achieving his support for the company policies and objectives and to develop an understanding of the company's problems and a desire to help in solving them.
- 3. Benefits to the employees themselves.4 Training helps trainees to increase their knowledge, improve their abilities and perhaps induces new abilities and skills. This ultimately tends to increase their worth in the organization.

4. Improvement of morale. One of the most surprising results of good training is the great improvement in morale. Trainee loyal-

lbid.

Personnel Management (Cincinnati: South Western Publishing Co., 151), p.53.

^{3&}lt;sub>Ibid</sub>.

⁴Ibid.

⁵Planty, McCord and Efferson, op.cit., p.13.

ties broaden in a wholesome manner. Their interest in problems around them is aroused, their pride in themselves and in the enterprise with which they are associated is increased; this is wider and of greater significance than merely attitude formation.

Training gets new knowledge past the outer defenses of the individual and to his inner being so that the new understandings become a functioning part of him. The learner must not only meet the subject matter, he must assimilate it into his thoughts and actions, with consequent change in behavior. New problems, techniques and information arise at every point of the organizational ladder. Training, therefore, must be broad enough to meet the developmental needs of the trainee.

In almost every country in the world, interest in the function of management and the action of managers is growing.² Management is a universal concept and the concern for developing managers has grown stronger as more countries have moved to raise their standards of industrial efficiency. Wikstrom made an eight nation study of each country's interest in the development of better managers.³ In Chile, for example, the development of an adequate supply of competent managers is viewed as a permanent necessity if the nation is to solve

Earl C. Kelly, The Workshop Way of Learning (New York: Harper and Brothers, 1951), p.74.

²Walter S. Wikstrom, <u>Developing Better Managers</u> (National Industrial Conference Board, 1961), p.3.

³Ibid.

its economic problems.

The same is true about Italy. Managers competent to organize and lead more effective economic units are vitally needed in this country, also, according to Italian economists. Even India, which is getting out of the clutches of the managing agency system sees the need for effective management development if the nation is to make economic progress.

In the more highly industrialized countries as well, economic pressures have focused attention upon manager development. Most of the formal training programs in Britain apply to the group of persons who have been college or university educated. A wide range of courses, both internal and external, are now offered and in use in Britain.

Internal courses may take the form of one or more weeks of continuous training at a management center inside the organization, or they may consist of a series of single sessions or single days spread out over a lengthy period of time. External techniques of training include professional bodies, technical and commercial colleges, universities, residential colleges, the British Institute of Management, and other organizations.

Wikstrom has also made an intensive study of the management development program in the United States. In this country, a manager is not merely considered as one who directs the work of other people. He is considered as one who plans, organizes, coordinates, motivates and controls the activity of an organization. To improve the per-

^{1&}lt;u>Tbid.</u>, p.154.

formance of managers, many American companies rely heavily upon on-the-job training. Most companies do not consider such training to be sufficient of itself, and therefore supplement it with courses and seminars conducted both within and outside the firm. job training, however, is the backbone of most programs. It has been variously estimated that about 90 percent of the change in a man's job performance over the years can be traced to his experiences while on the job, and that other training accounts for only about 10 percent of the change. This is based on the reasoning that the job setting is considered important because it permits the man to learn by actual rather than vicarious experience. The manager has the opportunity to practise and to use what he learns. This opportunity to put into practise what is learned is considered to be essential to any lasting development. Finally, on-the-job development is thought to have the advantage of continuity. Thus it becomes part of a continuing developmental process.

That training is very essential is also stressed by recruiters on the college campuses. Recruiters from merchandising companies realize the need for training for they feel that the environment in which merchandisers function is very different from other business environments. The most important environment factor in the merchandising field is people. One has to sell goods to them and therefore one has to understand them. Understanding is also required in various other phases of the merchandising enterprise.

The field of merchandising affords innumerable opportunities

ERIC

¹ Ibid., p.157.

longer what it was once considered to be. In the last fifteen years, and particularly in the last five, we have seen a remarkable change in retailing. It has revolutionized women's attitudes towards shopping so that it has become no longer a chore but a pleasant and sought after experience. New demands, particularly, have been created by merchandisers for ready-made clothing. They have followed the trend of population movement and have moved to meet these trends. With the growth of suburban population has come the rise of suburban stores and shopping centers.

market place in recent years.² The discounter is no longer the underdog or retailing. His profits apparently are tremendous. According to marketing expert E. B. Weiss' study, the percentage return on investment "is from 100 percent to 1,000 percent, larger than that of most traditional department stores and most traditional chains."³

"Today," says Interstate Department Stores' W. Cantor in Barrons, "we are seeing the formation of chains in the discount industry which tomorrow will be the giants of retailing."4

lmorris Natelson, "What's Behind the Retail Revolution" in Retail Revolution, arr. by Fairchild Publications Inc. (New York: Fairchild Publications Inc., 1962), p.l.

²Walter Henry Nelson, The Great Discount Delusion (New York: David McKay Co., Inc., 1965), p.8.

³E.B. Weiss, "Marketing's Stake in the Low-Margin Retailing Revolution," cited in ibld.

⁴Barrons, April 23, 1963.

The discount houses believe in mass merchandising at low prices.

If discounters have made any contribution to retailing, it is in awakening the odd-line stores to the need for stream-lining operations wherever feasible in an effort to cut the cost of moving merchandise from the production line to the ultimate consumer. For one thing, they have put backbone into the theory that services are commodities for which people pay extra.1

Harold Gottfried, vice president of Virginia Date Stores, a discount house, gives certain basic requirements for his company's survival:

(1) A clear and precise awareness by management of what is going on within its own business and within the industry. (2) There must be a strong management, with an effective structure of second and third echelons, constantly being added to by a continuous training program.

(3) A constant management review of methods and a rigorous control of expense.2

Objectives of the Study

The objectives of this study are concerned with the aims and effectiveness of management training programs in discount stores. The study is intended to inquire into management(s objectives in the training program and to learn whether those who complete the training believe they have met the programs's objectives. This will involve certain basic hypotheses that have been developed for the study:

lsamuel Feinberg, "The Explosion in Retail Distribution"in Retail Revolution, p.ll.

²Harold Gottfried, "The Inevitable Revolution in Retailing," in Retail Revolution, p.55.

Hypothesis 1: Management training provides knowledge required for more effective executive performance.

Hypothesis 2: Management training develops executives for advancement into positions of increased responsibility.

Hypothesis 3: Managers must learn and develop an understanding of how to apply the implications of human relations.

Hypothesis 4: Ability to make decisions can be developed through training.

Hypothesis 5: There is a need for practical training no matter what the extent of educational knowledge in the classroom has been.

Hypothesis 6: Management training adapts the trainee's thinking to a new new environment, towards creative thinking (solving problems concerning personnel, profitability, sales etc.).

Hypothesis 7: The trainee is given a broad view of the company, its organization and its leaders.

Hypothesis 8: Training programs are worth the cost they incur.

Hypothesis.9: Training programs are conceived with the idea that

development is an individual process.

Hypothesis 10: Training programs get new knowledge past the outer defenses of the individual.

Scope and Limitations.

To study the training programs in each and every form of discount business, and to cover all aspects of each firm's training program would indeed be a formidable task.

This study is restricted to management training programs in two



Zayre has 113 stores throughout the nation. Both firms are considered to be representative of the industry. In the Atlanta area, K-Mart has six stores and Zayre has four stores. This study will involve personal interviews with managers of two stores in each chain, who are in charge of the Management Training Program, four trainees from one chain and two trainees from the other chain. This restriction in number of interviewees is due to availability. The interviews will be based on a questionnaire developed for this study and which is intended to test the hypotheses raised by this study.

This will not be a statistical study but the views of the managers and the traineed will be developed into a case study approach to ascertain qualitative criteria to test the hypotheses.

A limitation exists in the sense that the identity of the individuals and the chains may not be revealed in discussing the training programs and the findings. In order to keep the interviews confidential the two chains will be referred to by Chain A and Chain B.

Significance of the Study

Most organizations believe in a policy of promotion from within, to develop their executives rather than hiring seasoned men from outside. Except when unusual situations occur, this practice is followed.

A study such as this may be of value to learn whether training does help towards promotion from within. Is the training broad enough

to meet the dynamic requirements of management? Is the program broad enough to teach the many principles of management? Or is training being conducted because it is a fad?

This study may help to clarify whether or not the companies are really getting full return for the time and money spent, or whether they are wandering in the world of illusion concerning the need and significance of training.

Are new entrants learning management skills in the training program that are considered essential for efficient performance?

This study may also provide some insights as to what other approaches may be needed to meet management's objective of creating skilled managerial talent. Furthermore this research may uncover additional areas that need to be studied to aid in the development of competent managers.

Definitions Used

Certain concepts have been used in the course of this study, which will be understood as follows:

- 1. Management: To manage is to forecast and plan, to organize, to command, to coordinate and to control.
- 2. Manager Development: Manager development is a planned, systematic process of learning and growth designed to induce behavioral change in individuals through bringing out or cultivating their mental abilities and inherent qualities through the acquisition, understanding and use of new knowledge, insights, and skills as they are need for, and apply to, more effective performance of the work of managing.

ERIC Foul Foot Propings

3. Training: Training is the organized procedure by which people learn knowledge and/or skills for a definite purpose.

Method of Presentation

Chapter II of this study will be devoted to a general view of management and training for management. Methodology and findings will be the subject matter of Chapter III and the study will conclude with a chapter of conclusions and recommendations. A bibliography of pertinent material will be appended.



CHAPTER II

GENERAL VIEW OF MANAGEMENT AND TRAINING FOR MANAGEMENT

Management Defined

According to Drucker, there are two popular definitions of management: one is that management is the people at the top -- the term "management" being little more than an euphemism for the "boss" and the other defines a manager as someone who directs the work of others and who, as a slogan puts it: "does his work by getting other people to do theirs." It is a general contention that management is the specific organ of the business enterprise. Whenever one speaks of a business enterprise, say, the United States Steel Company or the British Coal Board, as deciding to build a new plant, laying off workers or troating its customers fairly, one is actually speaking of a management decision, a management action, or management behavior. The enterprise can decide, act and behave only as its managers do -- by itself, the enterprise has no effective existence.² Conversely, it follows, that any business enterprise, no matter what its legal structure, must have a management in order for it to be alive and functioning. Because of the varying nature of business enterprises, one can expect any definition to have many It is obvious that if one is to consider management interpretations.

ERIC Foulded by ERIC

¹Drucker, op.cit., p.6.

² Ibid., p.7.

a profession, a key problem is to decide what is a manager.

Speaking of the principles of management, Fayol has said that seldom can one apply the same principle twice in identical conditions; allowance must be made for different changing circumstances, for men, just as different and changing, and for many other variable elements. Therefore, principles must be flexible and capable of adaptation to every need. It is a matter of knowing how to make use of them, which is a difficult art requiring intelligence, experience, decision and proportion. Compounded of tact and experience, proportion is one of the foremost attributes of the manager.

Since few of the elements of business are fixed or constant, management will probably always be more an art than a science. 2

Management is a body of systematized knowledge, based on general principles which are verifiable in terms of business practice. 3

Functions of Management

Business functions involve technical (production, manufacture, adaptation), commercial (buying, selling, exchange), financial (search for and optimum use of capital), security (protection of property and persons), accounting (stocktaking, balance sheets, costs, statistics) and managerial (planning, organization, command, coordination, control)

Henri Fayol, General and Industrial Management (London: Sir Isaac Pitman and Sons, Ltd., 1949), p.19.

²Louis A. Allen, <u>Management and Organization</u> (New York: McGraw Hill Book Company, 1958), p.3.

^{3&}lt;u>Ibid.</u>, p.5...

activities. It is a general contention that the managerial part of the business activity is the most important. It is what can be called the heart of the business, because just as the strength of the body depends upon the heart, so does the existence of an organization depend on an effective management.

None of the five activities previously mentioned are concerned with drawing up the broad plan of operations of the business, with assembling personnel, coordinating and harmonizing effort and activity. That management is the specific organ of the business enterprise is so obvious that it tends to be taken for granted. So cital are the above functions for the existence of an organization that these functions are considered synonymous with management. So important are the above functions to Faylor that he has adopted the following definition for management: "To manage is to forecast and plan, to organize, to command, to coordinate and to control."

To foresee and provide means examining the future and drawing up the plan of action. To organize means building up the dual structure, material and human, of the undertaking. To command means maintaining activity among the personnel. To coordinate means binding together, unifying and harmonizing all activity and effort. To control means seeing that everything occurs in conformity with established rule and expressed command.

Managing a business has sometimes been considered the prime job

ERIC

¹Drucker, op.cit., p.7.

²Fayol, op.cit., p.6.

of management. The ultimate test of management is business performance. It is a general conclusion to make the desired results come to pass. It is a general conclusion that today's businessmen are ones who are choosing rationally between alternatives of action. They have to adapt to economic changes, to push back the limitations of economic circumstances on the freedom of action of the enterprise. No person has absolute control over his environment, and yet a person has to act to derive the maximum possible from his circumstances. Only to the extent to which it masters the economic circumstances, and alters them by conscious, directed action, does the management really manage. Therefore managing by objectives is the primary means of managing a businessman.

Need for Management Development

Management development is not new. As early as the 1920's some of the large industrial corporations became aware that they had a need for management development programs to provide for continuity of leadership as well as effectiveness. Even during the depth of the depression, many large companies continued their efforts toward the development of better and more effective executives.²

The reasons for the interest in management and manager develop-

Drucker, op.cit., p.9.

² Joseph L. Krieger, Principles and Problems of Executive Leadership (Virginia, Universal Printers, 1956), p.2.

ment are largely economic. The more highly industrialized nations need managers who are competent to conduct the large and complex businesses that are increasingly characteristic of those economies.

When members of top management of companies, both big and mediumsized, were asked for more specific reasons for their systematic attempts to improve the performance of their managers, they gave answers that fall into three categories:

(1) External reasons deriving from the environment, chiefly the market environment, of the firm. These arise mainly from changing industrial techniques or market conditions.

(2) Specific causes originating in the company itself, and leading to specific activities of management development, e.g., change or organization structure to increase the competence of managers being transferred to new positions, etc.

(3) a general and overall interest of companies in striving methodically to improve the performance of their management.

The current need for executives is also influenced by the increasing complexity of problems of administration and management in business. Decentralization, required by the increasing size and complexity of business operations, has brought with it higher skill requirements needed to accomplish the expanded and more complex management jobs. Further, additional skills are needed to cope with more serious planning, organizing, directing, coordinating and control problems, as well as relationships with industry, the stockholders and the employees.

Lawrence A. Appley, the president of the American Management Association, emphasized the industrial need as follows:

The future of America is dependent upon the caliber of management to be found in the ranks of business and industry.

Wikstrom, op.cit., p.22.

It is management that sets the pace and motivates labor to do its job. It is the combination of a courageous, competent management and a high-moraled, highly productive labor force that makes more things available for more people, and, therefore, increases the standard of living.

George B. Corless, who wrote the foreword to The Development
of Executive Talent, when Advisor on Executive Development to the
Standard Oil Company of New Jersey, stated that business and government can no longer wait for executive leadership to happen, but that
they must help create it. This is especially true in view of the
current expansion and increased complexity of organizations, both in
industry and government. Increased demands for competent executives
have created a need for management development. Technological developments have also caused expanded calls for more competent managerial
capacities, including broadened perspective, planning and analytical
ability, and skill in dealing with people.

And, finally, managements, however, cannot assume that because good men have appeared in the past, they will continue to appear.²

Effort must be expended to create the managers who will be needed in the future; chance can no longer be depended upon.

Training for Management.

A management development program is a formalized, systematic and long-range plan, sponsored and actively supported by the top management or the organization. It is aimed at recognition and development

¹ Socony Vacuum Oil Company: Manual on Management Selection and Development, p.34, cited in Krieger, op.cit.

²Myles L. Mace, The Growth and Development of Executives (Cambridge, Mass.: Harvard Graduate School of Business, 1950), p.9.

of management potential, both immediately and for the future, and at creating a continuing and callable reserve of trained executive talent. This recognition includes awareness by all levels of management that a larger supply of executives will always be urgently needed.

Most leaders in industry seem to agree with the platitude that Many leaders have also stated that we must develop better executives. developing better management is one of the most important problems This is very well reflected in currently facing industry today. the survey made by the American Management Association. They found that in companies with more than 10,000 employees, 60 percent in a mail survey and 78 percent in a field survey, have a plan for manage-The findings emphasize that a significant number ment development. of companies without an executive development plan, nevertheless were using many of the currently accepted executive development techniques Many of these companies not having systematic programs and methods. actually do have in being, without even realizing it, successful and tested methods for developing executives.2

The retail industry is not immune from the above problem. The Personnel Representative of the National Retail Goods Association, addressing 250 department store executives said: "Building a better executive manpower reserve is one of the most important problems currently facing retailing."



Krieger, op.cit., p.7.

²Trickett, "A Survey of Management Development, "p.24, cited in ibid.

³ The Washington Post and Times Herald, October 11, 1955, p.19.

Training in industry has a specific purpose. It should provide experiences which develop or modify the behavior of employees in such a way that what the employee does at work is effective in the attainment of the goals and objectives of the organization.

Training in industry is the formal procedures which a company uses to facilitate employees' learning so that their resultant behavior contributes to the attainment of the company's goals and objectives.

Training in industry is not an end but a means to an end.

To achieve organizational goals, careful assessment should be made of the training needs within a company. A determination must be made of the goals which can be served by training the people who require training and for what purposes, and the content of the training program. In view of the concern among top executives about the need for and objectives of management development programs, attention should be directed toward learning how well such programs achieve their goals. This study examines the management training programs of two representative discount merchandising chains to learn how well they function in meeting their aims and objectives.



lwilliam McGehee and Paul Thayer, Training in Business and Industry (New York: John Wiley and Sons, Inc., 1961), p.3.

CHAPTER III

METHODOLOGY AND FINDINGS

Personal interviews were conducted with two managers and four trainees from Chain A and two managers and two trainees from Chain B. These interviews as stated previously were based on a questionnaire prepared to test the hypotheses developed for the study.

Both Zayre and K-Mart have a management training program.

The short-range objectives of both programs are toward developing assistant managers and the medium-range goal is toward developing persons capable of managing a store. Growth does not stop here.

Managers can rise to divisional managers and executive positions in the home office. Both the chains believe in development from within and it is toward long-run objectives of finding executives from within that their management training programs are directed.

Information concerning the training programs of both companies has been requested to be held in confidence; hence, it is not possible to state in detail the actual training programs of the specific companies. Though the two chains follow a slightly different road, their ultimate objectives in the management training programs are the same. The main objectives have been stated above. It is a contention of both companies that to be successful within their respective companies, one has to familiarize himself with their way of doing things. Even a manager of another similar business would

have to undergo their training program before he could be granted a permanent position. So important is the management training program to the chains, that according to them the very existence of their organization depends on effective management training programs.

Basically, the training program continues until one becomes a store manager. This program, however, evolves in different stages. After this basic managerial training one advances into executive positions, where further training by way of seminars is given.

The objectives of the management training programs of the two chains are spelled out in responses to the questionnaire. The same questionnaire was also used as a basis to interview trainees in order to learn if they thought the objectives of the training programs were achieved by them. The views of the managers and trainees of the two chains will be stated individually; however, the views of the managers and trainees of the same chain will be shown together and only significant differences will be highlighted. All the replies in response to the questionnaire: are the words of the managers and the trainees.

Question 1. That the main objective of management training is to provide knowledge required for more effective executive performance?

All the managers agreed with the above question. The managers of Chain A felt that one has to work one's way up in management.

Every executive in the company, even the president, started in the stockroom, as did both the managers interviewed. As they moved up the hierarchy ladder, their decision-making capability increased.

One of the managers felt strongly that there is no doubt the training

program has helped in this direction. The managers of Chain B felt strongly that the management training program has the above objective in mind. One of the managers in Chain B believed that the initial training is primarily to learn the "paper work" -- the details concerning the procedures of the company. "It is through this paper work that one controls the shrinkage, advertising mark-ups, mark-downs," he said, " and this helps one to be a better executive. Subsequently one gets involved with responsibilities which tend to broaden one's outlook and increase one's decision-making capacity." This surely leads towards more effective executive performance.

Three of the trainees in Chain A felt that they had achieved the ability towards executive performances by virtue of the program. One, however, was very new in the program and was, at this point, not able to make conclusions about it. The trainees who gave a positive response felt that in order to be a good executive, one needs to know every phase of operation. "Training makes one move around, and encounter different problems, train under different managers who have different approaches. One the learns the best out of it." of the trainees who were at an advanced stage in the training program had very positive responses. The third trainee had a positive response also although he did not feel very strongly about it. He felt that both training and his own learning and initiative worked together towards the long-range goal of becoming an executive. The two train-They felt that ees from Chain B also had very positive responses. during training and subsequently as assistant managers (where they are still under training) they had acquired new knowledge conc

their work, which related to how merchandiss is controlled, how shrinkage is controlled, how to decide on mark-ups and mark-downs and how to follow up on them. They also learned to become profit-conscious, how to increase the performance of each person in the store. This improved knowledge and understanding, according to them, will help them climb the ladder in management.

The responses to the first question tests the first hypothesis.

Training helps towards providing knowledge for more effective executive performance. Both the responses and the reactions of the managers and the trainees helped to identify the effectiveness of training in that direction.

Edward C. Bursk, editor of the <u>Harvard Business Review</u>, in his book, <u>How to Increase Executive Effectiveness</u>," has stated certain ways by which management can help create better executives:

1. Expose young men to the problems of the business.

2. Outline the company's objectives and policies to these young man.

3. Delegate responsibility with authority as well as with accountability.

4. Urge the young men to make decisions without fear of making mistakes.

Interviews have shown that the trainees get exposed to the problems of the business, the company's objectives and policies are outlined to them, responsibility is delegated to them. At the same
time, they are allowed to make decisions, no matter if wrong. Constructive proposals are made to them. The managers point out the
mistakes in the decision and helps them to learn how better decisions

¹ Edward C. Bursk, How to Increase Executive Effectiveness (Cambridge, Mass.: Harvard University Press, 1965).

could be made in future. To create better executives should be an objective of the the management training program.

Question 2. That management training is to develop executives for advancement into positions of increased responsibility?

One of the managers in Chain A agreed that the above statement was the objective of his training program. According to him there are bound to be some people who fail, some due to mental deficiencies and some because of physical disability, but it is up to the manager to help his assistants initially develop and it is up to the assistants on their own initiative to grasp the knowledge and advice. the second manager felt that, at this point, the program has nothing to do with executive training. It is only when one becomes a district manager that one's training starts toward becoming an executive. He did not believe that managers needed executive ability. of Chain B had a more positive response; they felt that "the more you work in one position, the greater the depth of your knowledge in that position." Every year retailing is changing one way or another. Thus, the assistant managers under the training program broaden: their knowledge, become more mature within that position and reacher the ultimate in that position and become groomed for advancement.

The trainees of Chain A also had a positive response to the question. They felt that every stage of training exposed them to new situations and responsibilities. One of the trainees who had just joined the program and was not able to respond to the first question felt he had gained self-confidence since he had joined the training program.

ERIC

The trainees of Chain B also had positive responses, though there was a difference in the degree of acceptance. They felt that the training program make one aware of the company objectives and policies. This, they felt was necessary to advance into positions of increased responsibility.

Responses to the second question tests the second hypotheses that management training develops executives for advancement into positions of increased responsibility. Reactions of the trainees also indicated that the program was being effective towards this goal. They believed that responsibility is attached to the strings of accountability. Without accountability things can run wild. Accountability develops control, judgment, and self-discipline. Responsibility should have authority attached to it. Without authority, responsibility can create frustration and destroy initiative.

Question 3. That managers must learn and develop an understanding of how to apply the implications of human relations?

Both the managers in Chain A felt strongly about this. One of them felt that he has to understand the implications of dealing with people. This understanding is the most important factor, especially in the retail business. "You have to get your employees behind you, you have to create a proper atmosphere for group behavior." The other manager also felt that "you have to learn to live with people and people at all levels." "Force or compulsion in getting your work done is something that cannot be applied. "One of the managers in Chain B felt very strongly about the implications of dealing with people. According to him it is the most important thing.

He believes that his inferiors "can either make him or break him."

This, according to him, is the ultimate creation of profit and group cohesiveness. The other manager felt that the knowledge of human relations is something that comes through experience in dealing with people. Human relations is not something you can put down in black or white. Learning to apply the implications of human relations depends upon the personality of the manager and how the trainees absorb the training.

Only one trainee in Chain A felt that training helped toward the direction of how to apply understanding of human behavior. cording to him, the assistant manager is the bridge between the manager and the rest of the store personnel and the customers. trainees have guides and efficiency sheets which teach them how to deal with people. One of the trainees was not able to respond at this stage of training, although he felt not much had been done until Another of the trainees felt that human behavior is this time. something that depends on the personality of the individual. ing helps toward learning the implications of human inter-action, but ultimately it is the actual contact with people that helps one learn "human relations." The fourth traineee felt that although management showed movies they did not stress very much in the direction of human understanding. However, according to him, the human relations aspect goes in the negative direction "when you go to work. As you climb the ladder you become more concerned with yourself and less with people." Both the trainees in Chain B felt that the knowledge of how to apply human understanding is not something "you get out of training."

However, one of them felt that training does help to a degree but it is hard to say to what extent. "How to get along with people is something individual and the manager corrects you when you are wrong." However, both the trainees felt that how to apply human relations is something that comes out of actual experience.

The responses of the managers tests the third hypothesis.

To learn and develop an understanding of how to apply the implications of human behavior is and should be the objective of management training. "You have to learn to work with people and you have to learn to live them". The line has a functional relationship with the staff because the leader attempts to satisfy the varied needs of his followers; however, the trainees were quite negative towards initial training helping them to learn how to apply human relations. They knew it to be important but the responses from the trainees gave the general impression that it was not stressed to the extent that it was believed to be by the management.

 \bigcirc .

Question 4. That the ability to make decisions can be developed through training?

Both the managers in Chain A had responded positively; to a considerable degree, they felt that the training program really helps towards making better decisions. No matter even if the trainees make wrong decisions, they should have the ability to make them. They can be corrected. Initially a trainee is lost in the store but then he learns how to face problems, make decisions. One of the managers of Chain B felt that training guides one towards the acquisition of ability to make decisions. He thought that it is experience that

really helps in that direction. However, one of the managers had another way of responding to the above statement. He thought that "training itself is experience. You get exposed to problems and this initiates the very thinking of why a decision ever should be made."

Hence, according to him, training does help towards that direction and accomplishes one of the objectives.

One of them. All trainees in Chain A had positive responses. who was new in the program, felt that self-confidence had helped him towards making better decisions. One of them felt that experience in the initial training stages and training itself helped him make wiser decisions. The other two trainees felt that they had learned to make better because because they were given the opportunity to make decisions even if the decisions were wrong. The management made constructive contributions. When they made wrong decisions, the manager explained why they were wrong and how to make a correct decision during the training. At the same, two of the trainees felt that In the later stages of training, accord-"you gain self-confidence." ing to them, experience helped towards making better decisions. In Chain B, one of the trainees had a very positive response. ing to him, during training he was faced with actual problems wherein he had to make quick decisions. Management helped him by pointing out the mistakes and guided him towards better decisions. trainee, however, felt that training provided a basis for making Training helped him to learn the company's policies better decisions. which served him as a guide to make better decisions.

The responses to the above question tests the fourth hypothesis.

To improve the ability to make decisions should be developed through training. Mistakes are the very soil of progress. Mistakes are experience. Experience develops judgment. And judgment is necessary to good management. The reactions of the trainees seemed positive that training helps them towards making better decisions, mainly because they are given the opportunity to make decisions, no matter whether they are wrong — if they are wrong, they are given constructive guidance.

Question 5. That there is a need for practical training no matter what the extent of educational knowledge from the classroom?

Both the managers of Chain A felt strongly that a very important objective of their training is to provide practical knowledge of their One of these managers felt that "you can talk about problens all day long but until have have actually experienced them you cannot solve them." It was his contention that in spite of the fact that he is a college graduate, in the training program, a high school graduate and a college graduate stand the same chance of success. This is mostly because in retailing knowledge of the environment is It was the contention of the other manager that most essential. the trainee has to adapt himself to "our way of doing things." the managers of Chain B strongly agree that training is most essential for their type of business. According to one of them, one gets no training whatsoever in the classroom. "You need a knowledge of the environment involved in the field of retailing. You have to learn how merchandise is put on the floor, how to deal with people." According to the other manager, training is experience. Knowledge means

nothing if it cannot be applied. He thought that, at least for retailing, training is very necessary.

All the trainees in Chain A agreed that practical training is All except one had had some college education and two Those with college experience felt that education were graduates. may help at higher levels, c.g., in the executive positions but not at this stage. One of them thought that it might have helped him mentally but training and experience are the main things that count. The trainee with high school education felt that people with no training feel afraid to accept responsibility even if they had many years of schooling. This was from his observation because he felt they had not encountered many problems and so did not have self-However, he felt that knowledge may make his advancement confidence. Both the trainees in Chain B, though only high school quicker. graduates, had a positive response also. They felt that this is mainly because of the type of operations in the merchandising field. "You have to learn how merchandise is received and controlled, how it is priced on the floor, how to make inventory changes on the floor." One of the trainess in Chain B felt that "you learn nothing about the company's policies in school and how to solve problems within that framework." At the same time, the other trainee felt that in retailing "you meet different kinds of people (customers) who think so differently that understanding their behavior is the biggest problem in retailing.

The responses to the above question tests the fifth hypothesis.

The responses as well as the reactions of the trainees strongly indicates that practical training is extremely essential. But the positive responses of the managers and the trainees were specifically related

to the field of merchandising. This does not mean, however, that training is not essential in other forms of business organizations. In training for business management, interpretation and understanding of the company's policies and objectives are very important. At least to the extent of advocating the knowledge of the company's policies and objectives to the trainee and helping him understand them. Training must have this objective, no matter how professional the field may be.

Question 6. That the management training program adapts the trainee's thinking to a new environment, namely towards creative thinking (improving personnel relations, profitability, sales)?

Both the managers in Chain A had positive responses. there was a difference in the degree of the responses. One of the managers felt that the program essentially adapts the trainee's thinking to a new environment. "He starts with the stock room, learns how merchandise is bought, how the merchandise is taken to the sales floor, hes it is priced for profit. In short, he learns what retailing is all about, he becomes profit conscious." The second manager thought the training program intends to do that. The whole process of the merchandising trade is intended to be thrust in him. It is a part of the overall process. However, he felt this process does get done through training and that it is part of the objectives. If the trainee does not like the job "either he quits or we quit him." The managers of Chain B also had positive responses. They thought that adapting thinking to a new environment naturally becomes part of the objectives, which stem from the reasoning that management

training mainly adapts an individual to a particular company's way of doing things. "You re-channel an individual's thinking into your way of doing things." Thus, training necessarily has to do with adaptation towards new thinking.

All the trainees in Chain A had positive responses to a high Even the trainee who had joined the program recently felt degree. strongly about it. He felt he had a better concept of the way retailing is done. One of the other trainees felt that training"is experience and experiences are what change your ways of thinking." All the trainees, except the one that had joined recently, felt they had learned to look for things they never conceived before. you get to the floor you automatically want to display better counters, attract customers, learn how to live with people. You definitely become profit conscious." One of the trainees initially had the feeling that "if you are in a position of authority you can get things But then I realized that you have to work with prople. done by demand. Both the trainees in Chain B felt training made them profit conscious. However, one of them felt that during training they were given an opportunity to see the inside of the company, see different figures. This led him to thinking as to what future he had with the company, what the company could do for him and what he could do for the company. A sense of belonging to the company arose within him.

The responses to the above question tests the sixth hypothesis.

It should be an objective of the training program to adapt the trainees!

thinking to a new environment.

An individual can never be helpful to a company unless he has an

understanding of the problems of the company and a desire to help.

In essence, he should have a feeling of belonging with the company.

This is only possible if he likes the environment in which his company functions and agrees with the objectives towards which his company is working. Training should arouse an interest in the trainee toward an understanding of the company and thrust in him an itch of creativity. The trainees in the two chains felt strong that training had helped them understand the company and its way of doing business. Most of their thinking was in congruence with that of their managers. They had some negative responses about the effectiveness of the early part of their training but eventually they felt that training had helped them to adapt to the company and, in fact, live with it.

Question 7. That it gives the trainee a broad view of the company, its organization and its leaders?

Both the managers in Chain A responded that giving the trainee a broad view of the company is a part of their training program. They felt that the above aspect of their training program is emphasized a great deal. The knowledge about the company is advocated through organization charts, as well as book which explain the objectives and policies of the company. However, one of the managers felt that the knowledge of the company is not absorbed in detail during training. One of the managers in Chain B felt that the training program is not intended to give a broad depth of knowledge of the company. However, the other manager felt that prior to taking up his position as an assistant manager he is bound to know the company, its objectives, policies and leaders, otherwise he is not fit for the position.



None of the trainees of Chain A felt strongly about the above Two trainees, who were at the later stages of their question. training program, felt that the knowledge of the company "is something you begin to learn only after two years of training." the trainee is more concerned with what is happening in the store. He is involved with himself. "As time goes on you become more interested in the leaders, their procedures and an understanding of their One of the trainees responded that this was spelled out in the movies they were shown. But nothing much was stressed by the management. The fourth trainee had a negative response at The trainees in Chain B felt very strongly on the this stage. One of them said he had the opportunity to meet positive side. executive leaders in each and every department, heard talks from the president down for one week, what their functions were, what theirs They reviewed the objectives and the policies of the would be. The other trainee felt that much of it was spelled out during training and he was able to grasp the policies and the objectives of the company.

The responses to the above question tests the seventh hypothesis.

Only one manager felt that the training program does not intend to give a broad depth of knowledge about the company to the trainees.

However, it is the writer's opinion that this manager had a very different conception of the training program because he seemed to feel that training is only intended to teach paper work to the trainees. At the same time in one of the chains, the objectives of the program as spelled out by the managers and as conceived by the trainees as far as

knowledge of the company was concerned was not at all congruent.

The trainees did not have a very broad picture of the company. Some of them felt this was not stressed by the management; however, it is essential the trainees have a knowledge of the company, its leaders, policies and objectives. The trainees are preparing to be managers although this is not the ultimate goal. All their thinking is modified before they become managers. Thus they should have a good knowledge of the company's objectives and policies so that their thinking will be utilized toward the company's goals.

Question 8. That the training program helps to insure the vitality and continuity of the organization?

Both the managers of Chain A felt strongly that insuring the vitality and continuity of the organization is an important objective of their training program. They felt that the expansion of the company makes the training program essential, especially when the company believes in promotion from within. At the same time, one of the managers felt that there is a big turnover in trainees and hence the training program is very essential towards maintaining the continuity of the organization. At the same time people are retiring. Both the managers of Chain B also had a very positive response. They felt that they are an expanding organization and more managers are People have to be trained towards that direction. needed. the managers felt that vitality comes with new blood that hatches new ideas. Their company gets vitality by hiring new trainees, some of them having had previous experience.

All the trainees felt that the above statement was true. However,

one of them was able to substantiate his feelings. He said that by having such a training program, he felt assured that no one will come into the company and take his position until that new person had learned the procedures of the company. It was his contention that the training program, by not letting anybody take his position, guarantees better unity in the organization. "Everybody has an equal chance to rise." The reason he continued working for the company was the fact that everybody had to start at the same place. One of the trainees in Chain B felt that the training program had created a great deal of enthusiasm in him, a feeling that would help him to help the company more.

There are managers and executives who are going to retire and there are managers and executives who are going to leave to join other companies. For an expanding company to have continuity, there should be an adequate supply of trained people to take the positions of those people who have risen higher in the hierarchy. A training program is the best way to help a company solve this problem. this manner, they get young trainees who want to start with the company with the idea of climbing up the ladder. People who climb higher after training are those who understand the company and its It should be an objective, as conceived by all the policies well. managers interviewed, that training helps to insure the vitality and continuity of the organization. However, only one manager was able to substantiate on "vitality." He said that "Vitality comes with Young men should be exposed to the problems of the company new blood. and its problems and opportunities. Young men have new ideas."

Question 9. That the training programs are worth the cost they incur?

The managers in Chain A had no doubt that the training programs are worth the cost incurred. One of them felt that without the program the company could not exist. He felt that they are worth a great deal because, having started as a trainee himself, he realized their effectiveness. The organization relies on these people for potential future managers. The managers of Chain B had no doubt also that the training program is worth its cost to the company. One of them felt that without training a man would be useless. This is in the context of retail merchandising. Without training, he felt a man would never have confidence in himself, without making mistakes he would know whether he were capable or not of making correct decisions. Training is not only important but also necessary. The second manager felt that this is the only way one can evaluate an individual and find out whether he is competent for promotion or suitable for the job.

The trainees were not questioned on the above statement, because it was felt that this was something for the management to answer. However, it is the personal view of one of the trainees in Chain A that the company did get out of him what they spent on him. He based this mainly on the reasoning that the assistant manager is the backbone of the managers and that, without these two people, it would be difficult for some stores to operate. One of the trainees at Chain B had the same view. He thought that training by itself was a great experience and it was his contention that through training the manage-

ment developed his abilities for its own sake as well as for his benefit.

The response of the managers to the above question tests hypothesis 8. To measure the training programs with cost is measuring quantitative values on the one hand with qualitative results on the other. However, the training program has such broad objectives that, if successful, they are worth the cost. These broad objectives have been spelled out in the previous questions. In order to get managers and executives who will insure the vitality and continuity of the organization, people on whom the future course of the company depends, it seems a reasonable conclusion to say that the costs incurred fade into insignificance compared with the values derived.

Question 10. That development is an individual process?

Both the managers in Chain A undoubtedly agreed that development is an individual process. They felt that ultimately it is the individual who must grasp opportunities. "You can try to teach but you cannot force anybody to learn, mainly because everyone has his own likes and dislikes. He has to be willing to accept the conditions for growth." Both the managers in Chain B agreed that development is an individual process. They can only guide the trainees.

One of the managers, however, felt that development requires association with people and products. They are inter-related. The right atmosphere for growth has to be created.

All the trainees in Chain A also agreed that development is individual process. They felt that one should be interested in getting

everything they could out of the training program. Opportunities are something that come everyday. The manager can only provide guide-One of the trainee felt that many a time the manager may not lines. be interested in training the trainees but just wanted the work to "It is here where you have to grab the opportunibe done by them. The trainees of Chain B, however, had different views. ties." of them agreed that development is an individual process but he thought that it takes added effort to make him go, to give him that added push, in spite of how good one's education or training is. your will nothing can make you go." It is this thinking that helped The second trainee felt that one can have him grow with the company. the ability and the will but again if somebody does not show one how to apply it, that ability is a total waste. "Initiative is definitely required but that is not enough. You have to be shown how to develop yourself."

Trainees ultimately have to develop themselves no matter what the opportunities. The trainee cannot be forced to learn. This seemed to be the feeling of all the managers; however, it is the writer's feeling that the conclusions of one of the trainees of Chain B were not right. What he had in mind was actually "being provided for" by the program. Training is the providing of opportunities and also means utilizing these opportunities. Initiative is what has to come from the trainees themselves. So this trainee's conclusion that he had to be shown what his abilities are is not accurate — for this particular phase is already included in the program. Without initiative, the best opportunities could very well be useless.

1)

ERIC

Question 11. That the training program gets new knowledge past the outer defenses of the individual, and to his inner being so that it becomes a functioning part of him?

Both the managers in Chain A had positive responses, though
there was a difference in degree. One of the managers felt that
quite soon a great of the information that is emphasized becomes a
way of life for the trainees. There is so much information, policies,
procedures, that they will never become successful managers until
they get accustomed to the environment. Both the managers in Chain
B had positive responses to the question also. They felt that if
one is receptive to learning, training has got to instil new knowledge into them.

One of the trainees in Chain A felt that it was rather difficult to give an answer to this question as he was in the early stages of training but he said he had already come to realize to a certain extent what merchandise retailing is all about. The other three trainees, however, had a positive response. One of them felt it difficult to analyze the new learnings; however, he did feel that at the time he joined the company, money was all important to him. He said that now although money still had importance, success was more important to him now, and success meant gaining a good position with the company. The other trainees felt that they had learned a great many things which they never knew before and which had become part of their thinking. They had learned the very concept of retailing. The trainees from Chain B did answer positively also. One of the trainees felt that it had helped him to learn to a high degree what the retailing business is all about, a basis on which to build

future management capabilities. The second trainee had a feeling that being a part of the organization, all the experiences that he gone through had become a part of him. This relates to the manner in which merchandise retailing is done.

The responses to the above question test hypothesis ten. Almost all of the trainees responded positively both in response and reaction. That training gets new knowledge into the individual automatically becomes an objective. If if does not, then the training is a failure. The very objective of training is to teach the trainee something that the company feels as necessary to the trainee so he can become a part of the organization. This was spelled out quite definitely by the managers. The trainees should get a broad knowledge of the company and his particular job in the organization. To do this, he has to understand the company.

CHAPTER IV

CONCLUSIONS AND RECOMMENDATIONS

Management development should be an integral part of every management training program. This study of management training programs in the two chains has revealed that training of new personnel is essential for them to understand the policies, objectives and environment of a particular organization.

Personal interviews with the trainees of the two chains has shown that in the initial stages the training program did not achieve the purposes for which it was intended. Trainees felt that in the initial stages they did not get exactly what they were told they would get from the program. In certain cases they showed negative responses to the questions that formed the hypotheses for this study. Though the training program, as indicated by managers, stressed the need for better understanding of human behavior, the trainees did not feel that training had helped them very much in this sphere of human relations or the understanding of human inter-action. Managers felt strongly that the graining program gave a broad view of the company -its objectives, policies and leaders. Trainees, however, of one of the chains were not receptive to the idea. In the field of human relations and in a broad view of the company, trainees expressed a feeling that the managers did expose them to these objectives through books, but these objectives were not stressed as being very important.

The trainees felt that actual experience when they were given responsibilities helped them learn although they were still in training.

The above findings in the study of the management training program of the two chains also revealed that during the training program, managers and trainees need a closer inter-relationship to achieve the objectives of the whole program. Such a close relationship between managers and trainees would serve to acquaint trainees with the stated objectives of the program. This would help trainees to identify clearly the purposes of the program. It would also help trainees to progress more rapidly when they see the goals, reasons and purpose for their learning.

There are various management capabilities which can be developed through training. One of the most important of these could be the stimulation of learning — the awakening and maintenance of a will and a desire to learn new outlooks and new methods to overcome problems. The reactions of several trainees of the two chains showed that they felt that their manager had not provided them with a motivation to learn in the initial stages. At certain times the trainees indicated that they became dull, disinterested and apathetic. Building the leadership qualities in a trainee is another capability which can be developed through training. The trainees had very positive responses that training had thrust new ideas upon them; they had become profit conscious. But trainee responses and reactions showed considerable incongruence. Training had not helped them broaden their vision to perceive situations outside their immediate organization. This may not be possible in the early stages of training; however, training



should develop among trainees an itch of curiosity to look outside their own organizations, to learn about new developments that could be used in their own organizations. If such initiative is not developed then the vitality which new blood is supposed to provide is sapped.

Training should have as its objectives a means of communicating. Communication should, in a broad sense, mean passing on ideas, attitudes and skills. Its perspective should not end within the organiza-Training should help to acquaint the trainees with the basic tion. principles of human behavior, and to help them to recognize and utilize these principles in their day-to-day supervision of subordin-An introduction of human psychology through the training program ates. would help very much toward enabling trainees to understand human be-Helping trainees to understand psychology would serve to havior. break down long-established misconceptions of human behavior. ing must help the trainees measure people in terms of their actions and their motives rather than their physical characteristics, race or religion. The trainees need to understand the motivations of human behavior.

A study of training programs such as this would be more significant if it could be made in greater depth. Large samples, sizes, and more varied programs would provide greater insights into the effectiveness of such programs in meeting their objectives. It is suggested that further research in depth be undertaken to ascertain if other programs show more success in meeting their objectives. To better understand management training programs studies should be made of



programs in different organizations, which are functioning under different environmental conditions.

Finally, this study suggests that the training programs examined have indeed met most of their objectives as far as the management of the chains is concerned. The program has given trainees a knowledge of the functions of the organization and has helped the trainees toward better decision making. The program seems to have given trainees self-confidence so that they may advance to positions of increased responsibility. It also seems to have enabled the trainees to adapt their thinking toward new environmental situations.



BI BLI OGRAPHY

Books

- Allen, Louis A. Management and Organization. New York: McGraw Hill Book Company, Inc., 1958.
- Beach, Dale S. The Management of People at Work. New York: The Macmillan Company, 1965.
- Bursk, Edward C. How to Increase Executive Effectiveness. Cambridge, Mass.: Harvard University Press, 1965.
- Cantor, Nathaniel. The Learning Process for Managers. New York: Harper and Row, 1958.
- Chruden, Herbert G. and Sherman, Arthur W. Jr. Readings in Personnel Management. Cincinatti: South Western Publishing Co.Inc., 1951.
- Drucker, Peter F. The Practise of Management. New York: Harper and Bros., 1954.
- Fayol, Henri. General and Industrial Management. London: Sir Isaac Pitman and Sons, Ltd., 1949.
- Hoslett, Schuyler D. Human Factors in Management. New York: Harper and Bros., 1951.
- Kelly, Earl G. The Workshop Way of Learning. New York: Harper and Bros., 1951.
- Krieger, Joseph L. Principles and Problems of Executive Leadership. Virginia: Universal Printers, 1956.
- Lawrence, Paul and Seiler, John. Organizational Behavior and Administration. Chicago, Ill.: Nichard D. Irwin Inc., 1965.
- Mace, Myles L. The Growth and Development of Executives. Cambridge: Harvard School of Business, 1950.
- McGhee, William and Thayer. Paul. Training in Business and Industry. New York: John Wiley and Sons, Inc., 1961.
- Nelson, Walter Henry. The Great Discount Delusion. New York: David McKay and Co. Inc., 1965.



- Neuschel, Richard F. Management by System. New York: McGraw Hill Book Co., 1960.
- Planty, Earl G. and Freeston, Thomas. Developing Management Ability. New York: The Ronald Press Co., 1954.
- Planty, Earl G., McCord, William S. and Efferson, Carlos A. Training Employees and Managers. New York: Ronald Press Company, 1946.
- Wikstrom, Walter S. Developing Better Managers. New York: National Industrial Conference Board, 1961.

<u>Articles</u>

- Feinberg, Samuel. "The Explosion in Retail Distribution." Retail

 Revolution. Arranged by Fairchild Publications, Inc., New York;
 Fairchild Publications, Inc., 1962.
- Gottfried, Harold. "The Inevitable Revolution in Retaining." Retail
 Revolution. Arranged by Fairchild Publications, Inc. New York:
 Fairchild Publications, Inc., 1962.
- Natelson, Morris. "What's Behind the Retail Revolution." Retail
 Revolution. Arranged by Fairchild Publications, Inc. New York:
 Fairchild Publications, Inc., 1952.
- The Washington Post and Times-Herald. October 11, 1955.



